



WILLIAM T FUJIOKA  
Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION  
LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

June 10, 2008

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**FIVE-YEAR LEASE AMENDMENT  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
11539 HAWTHORNE BOULEVARD, HAWTHORNE  
(SECOND DISTRICT) (3 VOTES)**

**SUBJECT**

A five-year lease extension for the Department of Children and Family Services (DCFS) to provide office space for DCFS.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that the proposed lease amendment is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board, per Section 15061 (b) (3) of the State CEQA Guidelines.
2. Approve and instruct the Chair to sign a five-year lease amendment with Imperial Hawthorne Partnership for DCFS to occupy 31,832 rentable square feet of office space at 11539 Hawthorne Boulevard, Hawthorne, at an initial annual rental cost of \$416,363. The program is approximately 67 percent funded by Federal and State funds and 33 percent is net County cost.

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

3. Authorize the Internal Services Department (ISD), at the direction of the Chief Executive Office (CEO), to re-program and relocate existing telephone, data, and low voltage systems as needed, and in addition provide electrical circuits, LAN, wiring, file servers and supplemental HVAC for the main communication room.
4. Approve the project and authorize the CEO, DCFS, and ISD to implement the project. The lease will be effective upon approval by your Board.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The County has occupied the facility since 1996. The current lease for this facility expired on June 9, 2007, and the County continued to occupy the facility on a month-to-month hold-over basis. DCFS has relocated to the build-to-suit facility at 8300 South Vermont Avenue, Los Angeles. DCFS requested the lease extension be exercised to allow the Compton regional office located at 921 E. Compton Boulevard to backfill the vacated space to alleviate overcrowding. The Compton office is one of 19 regional offices and their caseload is such that additional office space is needed to accommodate staff and service clients. The Hawthorne facility will house the Operations, Adoptions, Revenue Enhancement, and Collaborative Staff programs providing comprehensive services to children and families in crisis. The backfill of this facility provides a cost savings benefit to the County by utilizing existing furniture, carpet, telephones, data lines and tenant improvements, while providing an occupant-ready office.

#### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The Countywide Strategic Plan directs that we enhance the quality and productivity of the County workforce (Goal 2) and assist families' well-being (Goal 5). The proposed lease amendment supports these goals by providing a quality and efficient work environment which is conducive to maximizing employee productivity and by providing much needed services to families in the region.

### **FISCAL IMPACT/FINANCING**

The proposed lease amendment will continue to house DCFS in 31,832 square feet of office space and 128 structured parking spaces for \$34,697 per month, or \$416,363 annually, with approximately \$2 per square foot of base tenant improvements included in the rent.

<b>11539 Hawthorne Boulevard, Hawthorne</b>	<b>Existing Lease</b>	<b>Proposed Lease</b>	<b>Change</b>
<b>Total Area</b>	31,832	31,832	None
<b>Term</b>	10 years (6/10/97-6/9/07)	5 years, upon Board approval	5 years
<b>Annual Base Rent</b>	\$415,219 (\$13.04/sq.ft.)	\$416,363 (\$13.08/sq.ft.)	+\$1,144
<b>Base Tenant Improvement (TI) Allowance</b>	Build-to-suit	Build-to-suit	None
<b>Additional TI Allowance</b>	\$900,000 (\$28.27/sq.ft.)	None	No Tenant Improvements
<b>Cancellation</b>	After the 30 <sup>th</sup> month, with 18 months notice	After 48 <sup>th</sup> month, with 6 months notice	+18 months - 12 months notice
<b>Parking (included in Rent)</b>	128	128	None
<b>Option to Renew</b>	One	One	None
<b>Annual Rental Adjustment</b>	Consumer Price Index (CPI) capped at 5 percent	3 percent fixed	3 percent fixed
<b>Operating Expenses</b>	County pays all utilities	County pays all utilities	None

Sufficient funding for the proposed lease costs is included in the 2007-08 Rent Expense budget and will be billed back to the department. Sufficient funding is included in the proposed 2008-09 budget to cover the projected lease costs.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The proposed five-year lease amendment comprises 31,832 square feet of office space and 128 parking spaces. The proposed lease amendment contains the following provisions:

- Five-year term commencing upon Board adoption.
- Lease to include new paint and general clean-up of the premises included in the base rental rate.

- A cancellation provision allowing the County to cancel anytime after the 48<sup>th</sup> (forty-eighth) month upon six months prior written notice.
- A modified gross service basis whereby the Lessor is responsible for the maintenance costs associated with the premises including janitorial supplies. County is responsible for utility expenses.
- Annual fixed step increases of 3 percent per annum through the term of the lease.

CEO Real Estate staff conducted a survey of the area to determine the availability of comparable and more economical sites. Staff was unable to identify any sites in the surveyed area that could suitably accommodate this requirement. Based upon said survey, staff has established that the rental range for similar office space is between \$12.60 and \$32.40 per square foot per year on a modified gross basis, i.e., excluding utilities. Thus, the base annual rent of \$13.08 modified gross for the proposed lease amendment represents a rate within the low end of market for the Hawthorne area.

The proposed space is eleven miles from the Compton facility, however, it is located in the same Supervisorial District and the service area overlaps the area served by the Compton Office. Staff was unable to identify any sites in the surveyed areas that could accommodate this requirement more economically. Attachment B shows County-owned or leased facilities within the search areas and there are no County-owned or leased facilities available for this program.

The Department of Public Works has considered this facility and found it suitable for the County's occupancy.

A child care center is not feasible for the department in the proposed leased premises.

#### **ENVIRONMENTAL DOCUMENTATION**

This office has made a preliminary review of environmental factors and has concluded that this project is categorically exempt from CEQA pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board, and Section 15061 (b) (3) if the State CEQA Guidelines.

The Honorable Board of Supervisors  
June 10, 2008  
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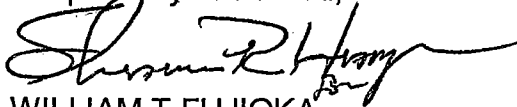
**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The proposed lease amendment will provide the necessary office space for this County requirement. DCFS concurs with this recommendation.

**CONCLUSION**

It is requested that the Executive Officer, Board of Supervisors, return three originals of the executed lease amendment and the adopted, stamped Board letter, and two certified copies of the Minute Order to the CEO, Real Estate Division at 222 South Hill Street, 4<sup>th</sup> Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:DL:JSE  
CEM:FC:hd

Attachments (3)

c: County Counsel  
Department of Children and Family Services  
Internal Services Department

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES**  
**11539 HAWTHORNE BOULEVARD, HAWTHORNE**  
**Asset Management Principles Compliance Form<sup>1</sup>**

<b>1.</b>	<b><u>Occupancy</u></b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>
	<b>A</b>	Does lease consolidate administrative functions? <sup>2</sup>			<b>X</b>
	<b>B</b>	Does lease co-locate with other functions to better serve clients? <sup>2</sup>			<b>X</b>
	<b>C</b>	Does this lease centralize business support functions? <sup>2</sup>			<b>X</b>
	<b>D</b>	Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup> <b>Lease represents approximately 178 square feet per person.</b>		<b>X</b>	
<b>2.</b>	<b><u>Capital</u></b>				
	<b>A</b>	Is it a substantial net County cost (NCC) program?		<b>X</b>	
	<b>B</b>	Is this a long term County program?	<b>X</b>		
	<b>C</b>	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		<b>X</b>	
	<b>D</b>	If no, are there any suitable County-owned facilities available?			<b>X</b>
	<b>E</b>	If yes, why is lease being recommended over occupancy in County-owned space?			<b>X</b>
	<b>F</b>	Is Building Description Report attached as Attachment B?	<b>X</b>		
	<b>G</b>	Was build-to-suit or capital project considered?		<b>X</b>	
<b>3.</b>	<b><u>Portfolio Management</u></b>				
	<b>A</b>	Did department utilize CEO Space Request Evaluation (SRE)?	<b>X</b>		
	<b>B</b>	Was the space need justified?	<b>X</b>		
	<b>C</b>	If a renewal lease, was co-location with other County departments considered?			<b>X</b>
	<b>D</b>	Why was this program not co-located?			<b>X</b>
		1. ____ The program clientele requires a "stand alone" facility.			
		2. <b>X</b> No suitable County occupied properties in project area.			
		3. ____ No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. ____ The Program is being co-located.			
	<b>E</b>	Is lease a full service lease? <sup>2</sup> <b>Lease is modified gross wherein the County pays for utilities.</b>		<b>X</b>	
	<b>F</b>	Has growth projection been considered in space request?	<b>X</b>		
	<b>G</b>	Has the Dept. of Public Works completed seismic review/approval?	<b>X</b>		
	<sup>1</sup> As approved by the Board of Supervisors 11/17/98				

<sup>2</sup>If not, why not?

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
SPACE SEARCH FIVE-MILE RADIUS  
FROM 11539 HAWTHORNE BOULEVARD, HAWTHORNE**

	FACILITY NAME	ADDRESS	SQUARE SQUARE		OWNERSHIP
			GROSS FEET	FEET	
A422	PH-WEST AREA ENVIRONMENTAL HEALTH SERVICES	6053 BRISTOL PKWY, CULVER CITY 90230-6601	12000	10800	LEASED
A430	ASSESSOR-WEST DISTRICT OFFICE	6120 BRISTOL, CULVER CITY 90230	30507	27456	LEASED
B006	FIRE PREVENTION BUREAU-WEST METRO OFFICE	6167 BRISTOL PKWY, CULVER CITY 90230	3253	3090	LEASED
A533	DCFS-KINSHIP RESOURCE CENTER #2 NORTH	5035 W SLAUSON AVE, LOS ANGELES 90056	5788	5200	LEASED
A437	DCFS-REGION II SERVICES - WATERIDGE BUILDING	5100 W GOLDLEAF CIR BUILDING C, LOS ANGELES 90056	52370	46086	LEASED
1521	LADERA-RECREATION BUILDING/ OFFICE	6027 LADERA PARK AVE, LOS ANGELES 90056	2117	1941	OWNED
6722	PUBLIC LIBRARY-VIEW PARK LIBRARY	3854 W 54TH ST, LOS ANGELES 90043	6983	6130	OWNED
A436	DPSS-EXPOSITION PARK FAMILY SERVICE CENTER	3833 S VERMONT AVE AT 38TH STREET, LOS ANGELES 90037	127511	109055	LEASED
Y018	DOCKWEILER-LIFEGUARD HEADQUARTERS	8255 VISTA DEL MAR, PLAYA DEL REY 90293	5919	5647	PERMIT
0012	PW ROAD-MAINT DISTRICT 3 OFFICE	5530 W 83RD ST, WESTCHESTER 90045	1400	1260	OWNED
0013	PW ROAD-DIV #233/333/433 YARD OFFICE	5530 W 83RD ST, WESTCHESTER 90045	2400	2160	OWNED
0014	PW ROAD-DIV #233/333/433 OFFICE/ GARAGE	5530 W 83RD ST, WESTCHESTER 90045	5500	4950	OWNED
F222	PW FLOOD-83RD ST YARD OFFICE	5520 W 83RD ST, WESTCHESTER 90045	702	632	OWNED
F224	PW FLOOD-83RD ST YARD OFFICE	5520 W 83RD ST, WESTCHESTER 90045	1920	1824	OWNED
A240	DCSS-AIRPORT/VENICE ADULT PROTECTIVE SERVICES	5757 W CENTURY BLVD BUILDING 1, WESTCHESTER 90045	1792	1702	LEASED
A061	DCFS-REGION VI CENTURY SERVICES OFFICE	5767 W CENTURY BLVD BUILDING 2, WESTCHESTER 90045	27000	20965	LEASED
A415	AG COMM/WIS & MEAS-LAX INSPECTION OFFICE	5600 W CENTURY BLVD (AIR FREIGHT BUILDING #1), WESTCHESTER 90045	792	792	LEASED
A378	DPSS-AIRPORT/WESTSIDE GAIN REGION I OFFICE	5200 W CENTURY BLVD, WESTCHESTER 90045	50147	47640	LEASED
X301	LOS ANGELES AIRPORT COURTHOUSE	11701 S LA CIENEGA BLVD, LOS ANGELES 90045	292000	151981	FINANCED
3394	INGLEWOOD JUVENILE COURTHOUSE	110 E REGENT ST, INGLEWOOD 90301	21539	12024	OWNED
6330	INGLEWOOD COURTHOUSE	ONE E REGENT ST, INGLEWOOD 90301	210648	82279	OWNED
5933	PH-CURTIS-TUCKER PUBLIC HEALTH CENTER	123 W MANCHESTER BLVD, INGLEWOOD 90301	28734	16828	OWNED
0316	PUBLIC LIBRARY-LENNOX LIBRARY	4359 LENNOX BLVD, LENNOX 90304	4657	3679	OWNED
2527	LENNOX-DIRECTOR'S OFFICE/ COMFORT STATION	10828 S CONDON AVE, LENNOX 90304	623	249	OWNED
B520	DPSS-SOUTHWEST FAMILY WS DISTRICT OFFICE	923 E REDONDO BLVD (905-921 REDONDO BLVD), INGLEWOOD 90302	40000	27898	OWNED
A614	DPSS-SOUTHWEST SPEC DIST (VERMONT VILLAGE)	1819 W 120TH BLVD, LOS ANGELES	88546	84119	LEASED
5374	PUBLIC LIBRARY-WOODCREST LIBRARY	1340 W 106TH ST, LOS ANGELES 90044	7254	5895	OWNED
A643	SOUTH L.A. COUNTY ADMINISTRATION BUILDING	8300 S VERMONT AVE, LOS ANGELES 90044	210000	195500	LEASED
A602	DCFS - TRANSITIONAL RESOURCE CENTER	8730 S VERMONT AVE, LOS ANGELES 90044	600	570	LEASED
A085	DPSS-SOUTHWEST SPEC DIST/ PROBATION-CENTINELA	1326 W IMPERIAL HWY, LOS ANGELES 90044	153986	127700	OWNED
A661	MENTAL HEALTH-SPECIALIZED FOSTER CARE	10421 S FIGUEROA ST, LOS ANGELES 90003	5296	5031	LEASED
Y034	EL PORTO BCH-LIFEGUARD HEADQUARTERS	3611 THE STRAND (BEACH SIDE AT ROSECRANS AVE), MANHATTAN BEACH 90266	3777	2237	OWNED
6331	PUBLIC LIBRARY-MANHATTAN BEACH LIBRARY	1320 HIGHLAND AVE, MANHATTAN BEACH 90266	12188	10129	OWNED
F387	PW FLOOD-EL SEGUNDO YARD OFFICE	2155 EL SEGUNDO BLVD, EL SEGUNDO 90245	1600	1440	OWNED
B320	PUBLIC LIBRARY-WISEBURN LIBRARY	5335 W 135TH ST, HAWTHORNE 90250	5088	4331	GRATIS USE
A170	SHERIFF-SOUTH BAY VEHICLE THEFT OPERATIONS	ONE SPACE PARK DR TRW - BUILDING S, REDONDO BEACH 90278	1053	1053	GRATIS USE
4704	PUBLIC LIBRARY-HAWTHORNE LIBRARY	12700 S GREVILLEA AVE, HAWTHORNE 90250	16949	16174	OWNED
A551	DPSS-WFP&I & SOUTH REG IV IHSS/ADULT SERVICES	12000 HAWTHORNE BLVD, HAWTHORNE 90250	132996	106397	LEASED
A557	DPSS-ADULT PROTECTIVE SERVICES/CHILD CARE CTR	4300 W 120TH ST, HAWTHORNE 90250	23000	20700	LEASED
3908	PUBLIC LIBRARY-LAWNDIALE PUBLIC LIBRARY	14616 GREVILLEA AVE, LAWNDIALE 90260	2695	1471	LEASED
0069	PW ROAD-DIV #232 MAINTENANCE YARD OFFICE	4055 W MARINE AVE, LAWNDIALE 90260	800	720	OWNED
6721	PUBLIC LIBRARY-MASAO W SATOW LIBRARY	14433 S CRENSHAW BLVD, GARDENA 90249	6639	5884	OWNED
CL12	DCSS-ASIAN SERVICE CENTER	14112 S KINGSLEY DR, GARDENA 90249	16180	11420	LEASED
5161	PUBLIC LIBRARY-GARDENA MAYME DEAR LIBRARY	1731 W GARDENA BLVD, GARDENA 90247	14122	11534	OWNED
6319	PUBLIC LIBRARY-A C BILLBREW LIBRARY	150 E EL SEGUNDO BLVD, LOS ANGELES 90061	21843	18287	OWNED
1694	ATHENS-FIELD OFFICE/COMFORT STATION	12603 S BROADWAY, LOS ANGELES 90061	655	264	OWNED
4403	SOUTH SERVICES AGENCY-ADMINISTRATION BUILDING	360 W EL SEGUNDO BLVD, LOS ANGELES 90061	2584	1901	OWNED
7517	SOUTH SERVICES AGENCY-PARK RESERVATION OFFICE	360 W EL SEGUNDO BLVD, LOS ANGELES 90061	1144	687	OWNED
A552	DCSS-WILLOWBROOK ONE-STOP CAREER CENTER	12700 AVALON BLVD, LOS ANGELES 90061	24706	23471	LEASED
6465	DCSS-WILLOWBROOK SENIOR CENTER	12915 S JARVIS AVE, LOS ANGELES 90061	12858	8670	OWNED
5335	PUBLIC LIBRARY-HERMOSA BEACH LIBRARY	550 PIER AVE, HERMOSA BEACH 90254	6496	5084	OWNED

**AMENDMENT NO. 1 TO RENEW LEASE NO. 70442  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
11539 HAWTHORNE BOULEVARD, HAWTHORNE**

**THIS AMENDMENT NO. 1 TO RENEW LEASE NO. 70442** ("Amendment" or "Amendment No. 1") is made and entered into as of this 10<sup>th</sup> day of JUNE, 2008, by and between **IMPERIAL HAWTHORNE PARTNERSHIP**, a California limited partnership ("Lessor"), and the **COUNTY OF LOS ANGELES**, a body corporate and politic ("Lessee").

**RECITALS**

**WHEREAS**, on December 3, 1996, Lease No. 70442 (the "Lease") was entered into by and between **IMPERIAL HAWTHORNE PARTNERSHIP**, as Lessor and the **COUNTY OF LOS ANGELES**, as Lessee to lease approximately 31,832 rentable square feet of office space commonly known as (the "**Premises**") in the building located at 11539 Hawthorne Blvd., Hawthorne, California (the "**Building**"), for a term of ten (10) years (the "**Original Term**") from June 10, 1997 to June 9, 2007;

**WHEREAS**, Lessor, and Lessee desire to amend the Lease for the purpose of extending the term of the Lease for an additional five (5) years and modifying certain provisions of the Lease as set forth herein; and

**WHEREAS**, Lessor and Lessee desire to amend Paragraph 3, RENT, to reflect the rent to be paid during the extended term of the Lease and thereafter;

**WHEREAS**, Lessor and Lessee desire to amend Paragraph 5, CANCELLATION, to reflect the cancellation provision for the extended Lease term.

**WHEREAS**, Lessor and Lessee desire to amend Paragraph 15, NOTICES, to reflect the proper notice information for the Lessor;

**WHEREAS**, Lessor and Lessee desire to amend Paragraph 26, TENANT IMPROVEMENTS, to reflect agreed upon improvements for the extended Lease term;

**WHEREAS**, Lessor and Lessee desire to amend Paragraph 28, RENTAL ADJUSTMENT, to reflect the proper rental adjustment to be used during the extended Lease term of the Lease and thereafter;

**AGREEMENT**

**NOW, THEREFORE**, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the rents, covenants and agreements hereinafter contained, and are intended to be legally bound, Lessor and Lessee hereby covenant and agree to amend Lease No. 70442 as follows:

70442

Supplement No.

7



1. Paragraph 2, TERM, is hereby modified and the following Subsection C is added as follows:

A. Original Term: No Change

B. Option to Renew: No Change.

C. Extended Term: Lessee desires and Lessor is in agreement with Lessee extending the Original Term for an additional five (5) years, (the "**Extended Term**"). As such, the Extended Term of the Lease shall be for a period of five (5) years commencing upon approval of this Amendment by the Board of Supervisors (the "**Extended Term Commencement Date**"), and ending five years thereafter. Lessee shall continue to pay rent under the Lease at the existing rate until this Amendment is approved and the Extended Term Commencement Date occurs.

2. Paragraph 3, RENT, is hereby modified and the following Subsection A and B are added as follows:

A. Original Term Rent: The rent language as to the Original Term remains as stated herein and is hereby incorporated under this Subsection A, as amended hereby.

B. Extended Term Rent. Lessee agrees to pay as rent for the Premises the sum of THIRTY FOUR THOUSAND, SIX HUNDRED, NINTY-SIX AND 88/100 DOLLARS (\$34,696.88) per month, i.e. \$1.09 per rentable square foot per month ("Basic Rent"), during the term hereof within 15 days after a claim therefor for each such month has been filed by Lessor with the Auditor of the County of Los Angeles prior to the first day of each month. Basic Rent for any partial month shall be prorated in proportion to the number of days in such month.

3. Paragraph 5, CANCELLATION, is hereby deleted in its entirety , and replaced with the following:

Lessee shall have the right to cancel this Lease at or any time after the forty eighth (48<sup>th</sup>) month of the Extended Term by giving Lessor 6 months prior written notice of its intent to cancel.

4. Paragraph 15, NOTICES, is hereby deleted in its entirety, and replaced with the following:

Notices desired or required to be given by this Lease or by any law now or hereinafter in effect shall be given by enclosing the same in a sealed envelope with postage prepaid, certified or registered mail, return receipt requested, with the United States Postal Service. Any such notice and the envelope containing the same shall be addressed to the Lessor as follows:

ICO Investment Group, Inc.  
9301 Wilshire Blvd., Suite No. 315  
Beverly Hills, California 90210  
Attn: Isaac Moradi  
Phone: (310) 247-0755, ext. 115  
Fax: (310) 273-9665

The notices and envelopes containing the same shall be addressed to the Lessee as follows:

Board of Supervisors  
Kenneth Hahn Hall of Administration, Room 383  
500 West Temple Street  
Los Angeles, California 90012

With a copy to:

Chief Executive Office  
Real Estate Division  
Attention: Director of Real Estate  
222 South Hill Street, 3<sup>rd</sup> Floor  
Los Angeles, California 90012

5. Paragraph 26, TENANT IMPROVEMENTS, is hereby deleted in its entirety, and replaced with the following:

A. Lessee acknowledges that it is already in possession of the Premises pursuant to Lease No. 70442, and that Lessor shall be deemed to have delivered possession of the Premises to Lessee on the Extended Term Commencement Date with no alterations or improvements being made by Lessor with the exception of the work listed under Exhibit A attached to this Amendment and incorporated herein by this reference. Lessor shall endeavor to perform all such work within three (3) months of approval of this Amendment.

6. Paragraph 28, RENTAL ADJUSTMENT, is hereby deleted in its entirety, and replaced with the following:

On each anniversary of the Extended Term Commencement Date, Basic Rent for the Extended Term shall be increased by five percent (5%) over the Basic Rent due immediately prior to such anniversary as follows:

<u>Year</u>	<u>Monthly Basic Rent/ Square foot</u>	<u>Monthly Basic Rent</u>
1	\$1.09	\$34,696.88
2	\$1.14	\$35,431.72
3	\$1.20	\$38,253.31
4	\$1.26	\$40,165.98
5	\$1.32	\$42,174.27

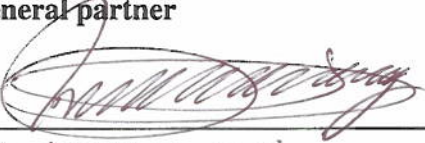
7. Original Lease in Full Force; Conflicts; Undefined Terms. Notwithstanding anything to the contrary herein, all of the terms and conditions contained in the Lease, which are not modified by this Amendment -shall remain in full force and effect. In the event of a conflict between the Lease and this Amendment, the terms of this Amendment shall control. All undefined terms when used herein shall have the same respective meanings as set forth in the Lease unless expressly provided otherwise in this Amendment.

**-SIGNATURES ON NEXT PAGE-**

IN WITNESS WHEREOF, the Lessor has executed this Amendment or caused it to be duly executed, and the County of Los Angeles, by order of its Board of Supervisors, has caused this Amendment to be executed on its behalf by the Chairman of said Board and attested to by the Clerk thereof the day, month, and year first above written.

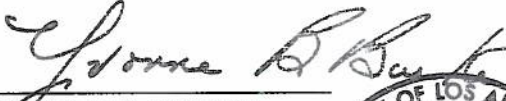
"LESSOR"

IMPERIAL HAWTHORNE PARTNERSHIP,  
a California limited partnership, by ICO INVESTMENT GROUP, INC.,  
its general partner

By:   
Name: ISAAC MORADI  
Its: President

"LESSEE"

COUNTY OF LOS ANGELES,  
a body corporate and politic

By:   
Name: YVONNE B. BURKE  
Its: Chair, Board of Supervisors



ATTEST:

SACHI A. HAMAI,  
Executive Officer-Clerk of the Board of Supervisors

By:   
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.,  
County Counsel

By:   
Deputy County Counsel

I hereby certify that pursuant to  
Section 25103 of the Government Code,  
delivery of this document has been made.

SACHI A. HAMAI  
Executive Officer  
Clerk of the Board of Supervisors

By:   
Deputy

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

# 12

JUN 10 2008

  
SACHI A. HAMAI  
EXECUTIVE OFFICER

## **EXHIBIT A**

### **TENANT IMPROVEMENTS**

Lessor, at Lessor's sole cost and expense, shall perform the following Tenant Improvements in the Premises, utilizing Lessee's current standard grade, quality, make, style, design and color materials and construction methods for the Building, as applicable:

#### **HVAC:**

- A. South Side of building-repair as needed.

#### **Paint:**

- A. Repaint common areas (hallways, conference rooms, lunch rooms, copier rooms, restrooms).
- B. Paint touch-up throughout.

#### **Miscellaneous:**

- A. Replace latches on restroom doors.
- B. Repair hooks on back of restroom doors.
- C. Add additional light fixtures to interview booth area on the 1<sup>st</sup> floor.